GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:5035
ANSWERED ON:25.04.2003
BANK LOANS TO MINORITIES
GULAM MEHMOOD BANATWALLA

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

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(a) whether banks are required to submit annual returns to the Reserve Bank of India indicating loans/credits advance to minorities;

(b) if so, the details in this regard;

(c) the names of the minorities identified for the purpose;

(d) the arrangements made for the scrutiny of the returns and follow-up work;

(e) the annual targets and the amount of loans/credit advanced to each of the minorities by each of the nationalised banks during each of the past three years; and

(f) the action taken in case of banks with unsatisfactory channelising of the flow of credit to minorities ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a) & (b): Yes, Sir. All Public Sector Banks (PSBs) are required to submit half yearly returns to Reserve Bank of India (RBI) or advances to minorities.

(c): At present, the following five communities have been notified as Minority Communities by the Government of India i.e. Sikhs, Muslims, Christians, Zorostrians and Buddhist.

(d): The returns are scrutinized by RBI and any deficiencies are taken up by it with the concerned banks.

(e): No separate target is allocated to PSBs for advances to minorities. Banks have to ensure that credit is made available to the members of minority communities in an adequate measure not only in the 44 districts identified by the Government as having concentration of minority communities but also in the country as a whole. The details of loan and advances granted to the specified minority communities by the PSBs for the half years ended March 2000, 2001 & 2002 is indicated in the Annexure.

(f): With a view to ensure adequate flow of bank credit to minority communities, instructions have been issued to banks by RBI from time to time.

(i) 41 districts having concentration of minority population have been identified.

(ii) The progress is reviewed regularly at the meetings of the District Consultative Committee & the State Level Bankers` Committee.

(iii) The Lead Bank in each of these 41 districts should have an officer who shall exclusively look after the problems regarding the credit flow to minorities communities, to publicise among the minority communities various programmes of bank credit and also to prepare suitable schemes for benefit of minorities in consultation with Branch Manager.

(iv) The Lead banks in 41 identified districts have been advised to organize Entrepreneur Development Programmes so that the members of these communities to derive benefit of various programmes being financed by banks.

With a view to bring about an attitudinal change in the bank`s staff towards minority communities and to have proper perspective and appreciation of the 15 point programme particularly the credit facilities to minorities, banks have been advised to include suitable lecture sessions as part of relevant training programmes like instruction course, programmes on rural lending, financing of priority sectors etc to sensitise the branch manager in this regard.

Statement showing Priority Sector Advances to the members of specified Minority Community by Public Sector Banks for the half year ended March & Septemebr 2001.

Name of the Bank	No. of Accounts- in thousand March 2001 in all Districts		No. of Accounts- in thousand March 2001 in 41 identified Districts		Amount Rs. in crores March 2001 in all Districts		Amount Rs. in crores March 2001 in 41 identified Districts	
	No. of A/Cs	Amount O/S	No. of A/Cs	Amount O/S	No. of A/Cs	Amount O/S	No. of A/Cs	Amount O/S
State Bank of India	2790	4153	694	877	2817	4117	551	865
State Bank of Bk.& Jaipur	37	94	1	2	35	101	1	3
State Bank of Hyderabad	75	139	13	33	108	138	10	40
State bank of Indore	25	34	1	2	22	34	6	14
State Bank of Mysore	47	72	1	1	47	73	1	2
State Bank of Patiala	143	570	2	5	193	658	1	8
State Bank of Saurashtra	11	62	450	3	12	79	418	3
State Bank of Travancore	575	777	52	287	586	791	52	290
Allahabad bank	142	219	60	76	144	232	59	78
Andhra bank	95	55	11	5	78	46	11	5
Bank of Baroda	196	664	33	137	208	695	33	132
Bank of India	180	684	28	79	214	792	30	86
Bank of Maharashtra	32	86	3	10	31	91	3	11
Canara Bank	389	1053	128	210	386	1104	125	238
Central Bank of India	271	386	73	63	241	395	54	59
Corporation Bank	32	142	2	10	31	185	2	10
Dena Bank	13	142	2	19	15	150	2	20
Indian Bnak	54	192	3	11	49	198	3	14
Indian Overseas Bank	157	279	16	16	170	303	16	16
Oriental Bank of Commerce	70	654	12	39	80	646	13	39
Punjab & Sind Bank	109	811	5	16	112	740	4	14
Punjab National Bank	363	1454	68	124	383	1568	79	123
Syndicate Bank	174	478	47	95	196	520	51	106
UCO Bank	104	227	31	38	142	328	75	75
Union Bank of India	137	597	17	82	138	575	18	92
United Bank of India	223	186	111	84	228	190	111	84
Vijaya Bank	49	237	11	52	49	252	10	46
Total	6492	14450	1425	2375	6716	14997	1322	2474

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	No. of A/Cs	Amount O/S	No. of A/Cs	Amount O/S	No. of A/Cs	Amount O/S	No. of A/Cs	Amount O/S
State Bank of India	2756	3486	590	781	2980	3753	614	798
State Bank of Bk.& Jaipur	37	95	1	2	37	98	1	2
State Bank of Hyderabad	155	186	18	41	128	157	11	21
State Bank of Indore	26	36	1	2	24	33	1	2
State Bank of Mysore	47	68	1	1	47	69	1	1
State Bank of Patiala	196	380	3	6	204	410	3	6
State Bank of Saurashtra	11	51	334	2	12	47	376	2
State Bank of Travancore	557	719	41	130	584	861	47	203
Allahabad bank	136	174	45	68	139	200	49	56
Andhra bank	72	43	11	5	84	49	11	5
Bank of Baroda	187	604	32	94	187	624	31	115
Bank of India	197	703	28	75	193	643	29	76
Bank of Maharashtra	34	93	3	12	33	85	3	9

Canara Bank	353	949	117	224	379	996	131	236
Central Bank of India	300	378	74	54	258	367	71	57
Corporation Bank	30	141	3	14	31	133	4	15
Dena Bank	16	196	3	20	14	169	3	26
Indian Bnak	65	147	4	12	62	169	3	18
Indian Overseas Bank	138	397	16	16	187	322	16	16
Oriental Bank of Commerce	71	516	7	28	72	582	11	35
Punjab & Sind Bank	109	784	8	25	110	788	8	19
Punjab National Bank	370	1298	70	113	363	1330	69	121
Syndicate Bank	160	374	46	70	163	422	47	83
UCO Bank	136	259	29	36	116	284	30	39
Union Bank of India	136	522	20	79	126	556	17	80
United Bank of India	233	178	110	82	233	185	111	85
Vijaya Bank	48	218	11	31	46	226	11	46
Total	6577	12999	1291	2024	6811	13556	1333	2174